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Liberty Place
325 Seventh Street, N.W.
Washington, DC 20004-2802

May 16, 1997

Edward Ryan
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

RE: April Monthly Report

Dear Mr. Ryan:

Enclosed please find the April Monthly Report for the American Hospital Association PAC (AHAPAC).

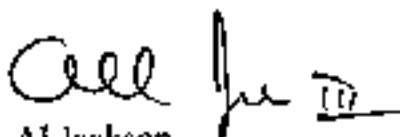
This is to inform you that AHAPAC will no longer list the \$13,000 debt to the Cromer Group as an outstanding obligation.

AHAPAC contracted with the vendor in question to perform a survey on behalf on the PAC. The vendor did not perform according to the terms of the contract, despite repeated attempts by AHAPAC to obtain the contracted for materials and information. Even if the vendor were to attempt to perform under the contract now, the materials and information would have no value to AHAPAC since they relate to the 1996 election cycle.

AHAPAC has informed the vendor that its failure to perform under the contract has resulted in a breach of the contract and that AHAPAC has no obligation to pay any fee called for under the contract. The vendor has not contested this matter. As a result, AHAPAC will no longer report this item as an obligation owed by the PAC.

Please feel free to contact me with any questions.

Sincerely,


Al Jackson
Treasurer

Attachment